

Opening Statement
of Senator Hollings

Pipeline Safety Hearing

May 11, 2000

I would like to thank the Chairman for convening this hearing on the reauthorization of pipeline safety programs. Any map showing the nation's pipelines is clear evidence of the importance of safe pipelines to the nation. The question is not whether pipeline safety programs should be reauthorized but rather what is the best way to maintain the safety of the interstate pipeline system.

It is my pleasure to welcome Senator Murray to the Committee this morning. I look forward to hearing her testimony on her legislation, S. 2004, which specifies requirements for strengthening safety and environmental standards. Senator Murray has been a leader in moving the reauthorization of pipeline safety programs forward and I will continue to work with her on this important issue.

Additionally, I would like to extend my condolences to the families from Bellingham, Washington, who have agreed to come testify today about their experiences. I appreciate their efforts on behalf of their sons to improve pipeline safety for all of us and I look forward to hearing from them this morning.

As many of you know, in June of 1996, a liquid pipeline ruptured where a corroded section of the pipeline crossed the Reedy River at Fork Shoals, South Carolina. The rupture released almost a million gallons of fuel oil into the Reedy River and surrounding areas. NTSB investigated the accident and found that the estimated cost for clean-up and settlement with the State of South Carolina was \$20.5 million. Fortunately, no one was injured in the accident, however it is important that this type of accident be prevented in the future. I understand that OPS is working on new corrosion guidelines and hope that Administrator Coyner and Chairman Hall will comment on the adequacy of existing corrosion standards.

Three bills have been introduced in the Senate this Congress. Senator McCain and Murray have drafted proposals and I have introduced the Administration's bill by Request. We are here today to solicit opinions about the pending legislation from those who are most informed about pipeline safety. I look forward to hearing their comments and critiques of the existing pipeline safety programs and provisions in the legislative proposals.

As far as a critique of the existing pipeline safety program, I want to share my concerns about the delays in issuing Congressional mandates. The Office of Pipeline Safety has not issued final rules on outstanding items from our 1992 and 1996 reauthorizations. The rules on environmentally sensitive and

high density areas should have been completed by now, although I understand that they are expected this year. The rules on operator qualification and periodic inspections are not final either. I hope that Administrator Coyner will comment on the status of these rules, it would certainly help to advance the cause of pipeline safety if we could understand why these rules are not in place or if additional standards need to be enacted.

Further I am curious about what new regulations may be appropriate at this time. There are many new initiatives being proposed in the three pending bills and I have a number of questions. What is the appropriate level of authorization for funding? I note that the pipeline safety budget proposal for FY 2001 represents an increase of 29 percent over the current level. If that funding request is not met, how will the Office of Pipeline Safety implement existing requirements and standards? If new requirements and standards are imposed in a reauthorization bill, does the Office of Pipeline Safety have adequate resources to carry out those new directives? I want to make sure that we are not only providing appropriate direction for the pipeline safety program, but appropriate expectations and resources.

I look forward to hearing the witnesses' comments and their views on pipeline safety issues.